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# **Report Name:** Exporter Guide

**Country:** Netherlands

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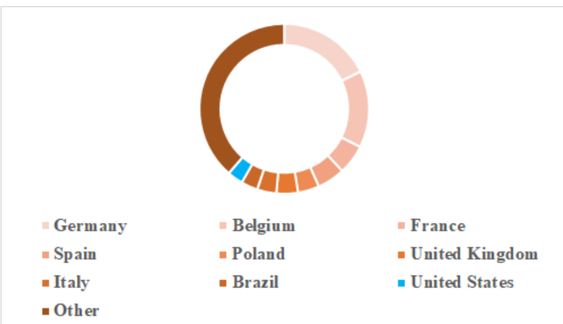
**Report Highlights:**

The exporter guide provides an economic and market overview, as well as demographic trends and practical tips to U.S. exporters on how to conduct business in the Netherlands. The report additionally describes three market sectors (food retail, food service, and food processing), the best market entry strategy, and the best high-value product prospects, and focuses exclusively on consumer-oriented products. Additional reports referenced herein can be found on the following website: https://gain.fas.usda.gov/#/search.

**Market Fact Sheet: The Netherlands**

Executive Summary:
Although a small country, the Netherlands is the gateway for U.S. products into the European Union (EU). It is the largest importing country within the EU and continues to be the second largest exporter of agricultural products in the world, after the United States. Dutch exports include products produced in the Netherlands as well as imported products.

Imports of Consumer-Oriented Products:
Products from other EU Member States lead Dutch imports of consumer-oriented products. In 2020, the United States was the tenth largest ($1.4 million) supplier of these products to the Netherlands.




Source: Trade Data Monitor

Food Processing Industry:
Over 6,930 food companies in the Netherlands generated net sales of $94 billion in 2020. However, the industry was adversely affected by the outbreak of the coronavirus (COVID-19) and social distancing measures instituted by the Dutch Government.

Food Retail Industry:
The Dutch retail sector profited from the closure of many HRI-Foodservice outlets during the pandemic. The industry's turnover for 2020 is forecasted at $50 billion, up nine percent from 2019. High-end supermarkets continue to gain in popularity as consumers demand service, variety, and fresh and convenient products.

Foodservice – HRI Industry:
The Dutch foodservice industry's turnover for 2020 is forecasted at almost $9.9 billion, down by over one-third compared to 2019. The steep decrease is due to the measures taken to prevent the spread of COVID-19. For much of 2020 and the beginning of 2021, bars, cafés, and restaurants, had to temporarily close their doors, while delivery and take-out remained.

Quick Facts CY2020
Imports of Consumer-Oriented Products, total:
$45.4 billion

List of Top 10 Growth Products in the Netherlands (imported from the World):

| | |
|---|---|
| 1. Wine | 6. Cheese |
| 2. Avocados | 7. Meat and meat products |
| 3. Bananas | 8. Pet food |
| 4. Bread & pastry | 9. Cranberries |
| 5. Grapes | 10. Coffee |

Food Industry by Channels 2020:

| | |
|---|---|
| Consumer-Oriented Products Imports | $45.4 billion |
| Consumer-Oriented Products Exports | $83.5 billion |
| Agricultural & Related Products Imports | $87.5 billion |
| Agricultural & Related Products Exports | $120.0 billion |
| Food Industry | $94.0 billion |
| Food Retail | $50.0 billion |
| Food Service | $9.9 billion |

Top 10 Food Retailers, Market Share:

| | | | |
|---|---|---|---|
| 1. Albert Heijn | 35.0% | 6. Dirk/Deka | 5.3% |
| 2. Jumbo | 21.5% | 7. Deen | 2.0% |
| 3. Lidl | 10.7% | 8. Hoogvliet | 2.0% |
| 4. Plus (+ Coop) | 10.6% | 9. Jan Linders | 1.2% |
| 5. Aldi | 5.5% | 10. Spar | 1.1% |

GDP/Population:
Population: 17.5 million GDP per capita: $44,614
GDP: $798 billion

Strengths/Weaknesses/Opportunities/Challenges

| Strengths: | Weakness: |
|---|---|
| U.S. producers are professional, deliver products with a consistent quality, and have a good story to tell about sustainability, supply chains, and their State/regional heritage. | Shipping time & costs, import tariffs, and EU labeling regulations make U.S. products more expensive. Some products suffer from a negative perception among consumers. |
| **Opportunities:** | **Threats:** |
| Young consumers are food-minded, eat more out of the home, are interested in, and willing to pay for authenticity, health, nutrition, and taste. | Fierce competition from countries that have negotiated lower tariff rates. COVID-19 has impacted the Foodservice HRI industry. |

*Data and Information Sources: Trade Data Monitor, industry experts, company websites*
*Contact FAS/The Hague at: agthehague@fas.usda.gov.*

SECTION I. DETAILED MARKET OVERVIEW

**The Netherlands in a Nutshell**
The Netherlands is a small country in Western Europe, bordering Germany to the east, Belgium to the south, and the North Sea to the northwest. The largest and most important cities in the Netherlands are Amsterdam, The Hague, Rotterdam, and Utrecht, together referred to as the Randstad. Amsterdam is the country's capital, while The Hague is home to the Dutch seat of government and parliament. The Netherlands' name literally means "Low Country," influenced by its low land and flat geography, with only half of its land exceeding one meter above sea level.

**Overall Business Climate**
The fundamental strengths of the Dutch economy continue to be the Netherlands' stable political climate, highly developed financial sector, strategic location, a well-educated and productive labor force, and high-quality physical and communications infrastructure. According to the latest economic outlook of the Netherlands Bureau for Economic Policy Analysis (CPB), after economic contraction of over four percent in 2020, the Dutch economy will grow by three percent in both 2021 and 2022. As the economy continues to find ways to mitigate the impact of the coronavirus (COVID-19), unemployment is expected to temporarily rise to five percent, but subsequently decrease to 4.1 percent over the course of next year. Young workers, employees on a flexible employment contract, and self-employed independents are anticipated to be the most vulnerable. Additional information on the overall business climate in the Netherlands can be found on the website of the CPB at: https://www.cpb.nl/en/forecasts.

**Population and Key Demographic Trends**
At the end of 2021, the Dutch population is expected to total 17.6 million, and is forecast to continue to grow annually by over 100,000 people until 2030. Roughly a quarter of the population in 2030 will be 65 years and older (it was 19 percent in 2018). Not only is this group of consumers growing, but they are also expected to be more affluent, more active, and more experimental with food than ever before.

About half of the Dutch population currently lives in cities and the increasing trend of moving to urban areas is expected to continue. Between this year and 2035, the Dutch population will grow by over 1 million people, of which three-quarters are expected to be born in cities. The population of Amsterdam alone will grow by 150,000 and exceed 1 million inhabitants in 2036. Currently the mean population density is 517 inhabitants per square kilometer, making the Netherlands the second most densely populated country, after Malta, in the European Union.

Between 2000 and 2021, the number of households in the Netherlands grew from 6.8 million to 8.0 million, almost 18 percent. This growth is largely due to the increase in 'one-person households,' which grew by 36 percent, while the number of 'more than one-person households' grew by only nine percent. 'One-person households' now account for almost forty percent of all households, and this number is expected to continue to rise. In Amsterdam, 55 percent of all households are already one-person households.  The aging Dutch population is expected to want to live independently for as long as possible.  At the same time, over half of the people who live alone have never been in a long-term relationship and are not planning on doing so.  An older and more individual population that increasingly lives in urban areas is expected to lead to an increased demand for innovative products, smaller portions, healthy and nutritious food options, functional foods, and convenience.

**Dutch Traders are Key in Distributing U.S. Exports Throughout the EU**

The Netherlands is the largest importing country within the EU and continues to be the second largest exporter of agricultural products in the world (by value), after the United States and before Germany. These exports include agricultural products produced in the Netherlands and imported products that are re-exported after further processing.

Table 1. Advantages and Challenges U.S. Exporters Face in the Netherlands

| **Advantages (U.S. supplier strengths and market opportunities)** | **Challenges (U.S. supplier weaknesses and competitive threats)** |
|---|---|
| Local traders and food processors prefer to work with U.S. suppliers because they are professional and deliver products with a consistent quality.  U.S. companies also have a great variety of products to offer. | Growing demand for single-portion packaged food products.  U.S. companies tend to manufacture packaged food in larger packages. |
| Growing demand for food products with a special claim, certification, and sustainable production methods.  U.S. farmers have a good story to tell about sustainability, their supply chain (farm to table), and their State/regional heritage (provenance). | The Dutch are price-conscious consumers. Transatlantic transportation is costly.  Products from the United States are subject to import tariffs[1]. Suppliers from other EU Member States have a competitive advantage on tariffs and non-tariff trade barriers, transportation costs, and transportation time. |
| Growing demand for new products, innovative food concepts, and international cuisine.  U.S. products are innovative, often trend setting, and known for their strong brands. | Some U.S. food products suffer from a negative perception among Dutch consumers due to misinformation (e.g., local and small-scale is better) or an image issue (e.g., U.S. foodstuffs are unhealthy). |
| The Netherlands is the most important gateway for U.S. products to the EU. | U.S. beef from hormone-treated cattle, poultry, live bivalve mollusks, and products containing GMO derived ingredients that are not EU approved cannot be exported to the Netherlands. |
| Growing demand for functional, fresh, and food products that contribute to a healthier lifestyle. | The EU has several Free Trade Agreements that may advantage other 3rd country competitors, including Canada and Mexico. |
| | Fierce competition on price, quality, uniqueness, and innovation. |

## SECTION II. EXPORTER BUSINESS TIPS

**Local Business Customs and Trends**

Most people comfortably speak and write in English and have a high level of education (Masters or Bachelor's degree).  They are straightforward, open-minded, and like traveling internationally.  After a first introduction, they tend to communicate on a 'first name' basis.

[1] Retaliatory tariffs:  The WTO allowed the EU to raise additional tariffs up to $4 billion worth of imports from the United States.

The Dutch are business-minded and like to be well-informed about the company they are about to do business with, the product in question, price, and future business opportunities. Doing business does not require 'wining & dining.' The Dutch preferably want to get the job done during regular business hours since a healthy 'work-life' balance is important to them.

Food retailers, foodservice companies, and wholesalers normally do not buy directly from the United States. Instead, they work with dedicated and highly specialized local traders. These traders look for long-term partnerships rather than a one-off business transaction.

**Consumer Tastes and Trends**

Specific consumer trends that affect the Dutch food retail and foodservice market can be found in the reports the Dutch Food Retail Market – June 28, 2021 and the Dutch Foodservice Market – September 30, 2021. Other exporter assistance reports can be downloaded from the following website: **Error! Hyperlink reference not valid.**.

## SECTION III. IMPORT FOOD STANDARDS & REGULATIONS AND IMPORT PROCEDURES

Most Dutch food legislation is harmonized at the EU level. Where EU regulatory harmonization is not yet complete or absent, imported products must meet existing Dutch requirements. U.S. exporters should be aware that national measures still exist for enzymes, processing aids, packaging waste management, food contact materials, choice of language (Dutch is the official language in the Netherlands), use of stickers, samples, novel foods, fortified foods, gelatin capsules containing fish oil, irradiated foodstuffs, product registration, and composite products.

Information about customs clearance, required documentation for imported products, labeling requirements, tariff information and FTAs, and trademarks and patent market research can be found in the Food and Agricultural Import Regulations and Standards Report which can be downloaded from the following website: https://gain.fas.usda.gov/#/search.

## SECTION IV. MARKET SECTOR STRUCTURE AND TRENDS

**Key Developments in the Food Industry**

*Demand for Sustainable Food Products Is Up*

Total consumer spending on foods certified as sustainable grew by an impressive seven percent in 2020 to over $9.6 billion (€ 8.2 billion). The share of sustainable food compared to total spending on food is estimated to have been 16 percent in 2020. Sustainable food continues to be the most important growth market in the Dutch food industry. The consumption of certified sustainable products is expected to continue to increase. A wider range of certified products and changing consumer preferences (paying more attention to sustainability and health) explains the growth in spending on these products. Most of the spending takes place in the supermarkets, mainly due to a wider availability of sustainable products. Additional information can be found in Monitor Duurzaam Voedsel 2020 (in Dutch).

*Growing Interest in Authenticity*
In addition to sustainability, consumers (often Millennials and Generation Z) seem to be willing to pay for authenticity. They want to hear or read about who produced a food product and what the story behind the product is. This desire for authenticity also applies to foodservice outlets. Hosts that have a story to tell about their restaurant, cafe, or bar appeal to today's consumers.

*Growing Awareness of Health and Well-Being and Demand for Nutritious Food*
Consumers seem to increasingly be rushed. They are struggling to do many things on a regular weekday such as taking care of the children, doing their job, engaging socially, and, of course, eating. Consumers are faced with a dilemma: less time for buying food and preparing meals versus a growing awareness of health and nutrition. As a result, the demand for convenient healthy and nutritious food products (albeit at an affordable price) is growing more than ever before. Consumers are looking for and finding more information on eating healthier. Beyond traditional media outlets, influencers are rapidly gaining power. Consumers seem to trust what an influencer has to say about a product. Food retailers play a crucial role as well, as they market food products to create, anticipate, and meet consumer needs.

The following sectors offer opportunities for new sales: healthy food snacks, tree nuts, so-called super fruits, pulses, food products with a special certification (organic, sustainable, free-from claim, etc.), and innovative products with a story to tell.

Table 2. Best Consumer-Oriented Product Prospects

| **Commodity (HS code)** | **Imports, million USD, 2020** | **Imports from U.S., million USD, 2020 (U.S. market share)** | **2015 – 2050 Estimated average annual import growth** |
|---|---|---|---|
| Food preparations (HS210690) | 1,886 | 307 (16%) | 15% |
| Processed vegetables (Product Group) | 1,810 | 109 (6%) | 3% |
| Odoriferous substances (HS330210) | 438 | 96 (22%) | 9% |
| Dog & cat food (HS230910) | 699 | 29 (4%) | 100% |
| Bread, pastry, cakes (HS190590) | 987 | 23 (2%) | 12% |
| Coffee extracts (HS210111) | 104 | 15 (15%) | 25% |
| Cookies (HS190531) | 313 | 3 (1%) | 18% |

Source: www.tradedatamonitor.com

Links to access retailer-specific information and expected growth rates of each sector, as well as a qualitive assessment of the market opportunities for consumer-oriented products in the food retail, foodservice, and food processing sectors, can be found in the following reports: the Dutch Food Retail Market – June 28, 2021, the Dutch Foodservice Market – September 30, 2021, and the Dutch Food Processing Ingredients Report – March 25, 2021.

## Competitive Situation for Selected U.S. Consumer-Oriented Products

Table 3. Netherlands' Imports of Consumer Oriented Products, 2020 figures

| **Product Category (Product Code) Imports in Millions of USD** | **Main Suppliers, By Percentage** | | **Strengths of Key Supply Countries** | **Advantages and Disadvantages of Local Suppliers** |
|---|---|---|---|---|
| Craft beer<br>(HS2203)<br>Total imports: $490<br>From USA: $5 | 1. Belgium<br>2. Germany<br>3. The U.K.<br>4. France<br>**9. USA** | 53<br>13<br>9<br>8<br>**1** | Competition from neighboring countries, dominated by Belgium and Germany. | Despite the closure of bars and restaurants for a long period, imports were up. Strong demand for new flavors, funky labels, and innovative tastes. |
| Sweet potatoes<br>(HS071420)<br>Total imports: $158<br>From USA: $80 | **1. USA**<br>2. Egypt<br>3. The U.K.<br>4. Spain<br>5. Belgium<br>6. China<br>7. Honduras | **51**<br>14<br>12<br>5<br>3<br>3<br>3 | Competition from Egypt, Spain, China, and Honduras. The U.K. and Belgium do not produce but re-export sweet potatoes. | Despite the closure of restaurants for a long period, imports were up. Supermarkets are increasingly selling fresh and processed sweet potatoes. There is demand for variety and quality. |
| Wine<br>(HS2204)<br>Total Imports: $1,501<br>From USA: $12 | 1. France<br>2. Germany<br>3. Italy<br>4. Spain<br>5. Chile<br>6. S. Africa<br>**14. USA** | 27<br>15<br>15<br>10<br>8<br>4<br>**1** | France, Germany, Italy, and Spain have well known, good quality wines at competitive prices. They are also popular holiday destinations. | No commercial availability of domestic wine in the Netherlands. |
| Distilled spirits<br>(Product group)<br>Total imports: $923<br>From USA: $51 | 1. The U.K.<br>2. Belgium<br>3. Germany<br>4. France<br>**5. USA** | 20<br>17<br>16<br>7<br>**6** | All, except the USA, are geographically close to the market and offer good quality products. | Demand for branded, good quality, tasty, and unique products that have a story to tell. |
| Seafood (Seafood products)<br>Total imports: $4,593<br>From USA: $113 | 1. Iceland<br>2. Norway<br>3. Germany<br>4. Belgium<br>5. Russia<br>**14. USA** | 12<br>9<br>8<br>6<br>5<br>**2** | Iceland is the leading supplier of cod while Germany dominates Dutch imports of pelagic fish. The USA dominates the supply of Alaska Pollack, scallops, and Sockeye salmon. For shrimp & prawns, cod and lobster, the USA competes with other non-EU exporters. | The Netherlands is an international trader in seafood products, serving foodservice markets throughout Europe. The Dutch depend on imports for Alaska Pollack, scallops, Sockeye salmon, shrimp & prawns, cod, and lobster. |
| Beef (beef and beef products)<br>Total imports: $2,015<br>From USA: $128 | 1. Germany<br>2. Belgium<br>3. Ireland<br>4. Argentina<br>**7. USA** | 16<br>13<br>10<br>8<br>**6** | Germany and Belgium sell lower quality and price competitive beef. The USA exports high quality and grain fed beef, known for its consistency and taste, to the high-end foodservice industry. | There is not enough high-quality Dutch beef available. Ireland, Argentina, Brazil, Uruguay, and the USA all profit from this deficit. |

| | | | | |
|---|---|---|---|---|
| Condiments and sauces<br>(Product group)<br>Total imports: $542<br>From USA: $16 | 1. Germany<br>2. Belgium<br>3. Italy<br>4. The U.K.<br>5. Poland<br>**11. USA** | 20<br>14<br>9<br>9<br>8<br>**3** | First four suppliers benefit from proximity and first three from being in the EU market. | Demand for good quality and unique products has grown during the pandemic. Consumers also treated themselves by buying more comfort foods. |
| Walnuts<br>(HS080231)<br>Total imports: $9<br>From USA: $5 | **1. USA**<br>2. Chile<br>3. Germany<br>4. France<br>5. Hungary | **54**<br>25<br>9<br>7<br>3 | Competition from Chile, France, and Hungary. Germany does not produce but re-exports walnuts. | Growing demand from the snack industry. Walnuts benefit from their healthy reputation. |
| Ice cream<br>(HS210500)<br>Total imports: $246<br>From USA: $3 | 1. Belgium<br>2. Germany<br>3. The U.K.<br>4. France<br>5. Italy<br>**8. USA** | 40<br>25<br>9<br>7<br>7<br>**1** | 1, 2, 3, 4 and 5 are geographically close to the market and offer good quality products. | Demand for good quality and unique products. |
| Distilled spirits<br>(Product group)<br>Total imports: $923<br>From USA: $51 | 1. The U.K.<br>2. Belgium<br>3. Germany<br>4. France<br>**5. USA**<br>6. Spain | 20<br>17<br>16<br>7<br>**6**<br>5 | All, except the USA, are geographically close to the market and offer good quality products. | Demand for branded, good quality, and unique products that have a story to tell. |
| Non-Alcoholic beverages<br>(Product group)<br>Total imports: $1,032<br>From USA: $44 | 1. Germany<br>2. Belgium<br>3. Austria<br>4. France<br>**5. USA** | 32<br>24<br>13<br>9<br>**4** | All, except the USA, are geographically close to the market and offer good quality products. | Demand for branded, good quality, and unique products that have a story to tell. |
| Food Preparations<br>(HS210690)<br>Total Imports: $1,886<br>From USA: $307 | 1. Germany<br>**2. USA**<br>3. Belgium<br>4. U.K.<br>5. Italy | 20<br>**16**<br>13<br>11<br>5 | Due to proximity, neighboring countries are leading suppliers of flavored or colored sugar, isoglucose, lactose, and glucose and maltodextrine syrups. | Food preparations are produced and used throughout the EU. |
| Odoriferous Substances<br>(HS330210)<br>Total Imports: $438<br>From USA: $96 | 1. Ireland<br>**2. USA**<br>3. Germany<br>4. Belgium | 34<br>**22**<br>20<br>5 | Odoriferous Substances are compounds (natural and synthetic) with odors used in the manufacture of various non-food and food products and are locally available. | U.S. suppliers are often at a price disadvantage compared to EU suppliers mainly due to time, shipping costs and taxes. |
| Peptones and Derivatives<br>(HS350400)<br>Total Imports: $436<br>From USA: $106 | **1. USA**<br>2. Belgium<br>3. Germany<br>4. France | **24**<br>16<br>13<br>13 | Peptones are used by producers of food supplements and are locally available. | U.S. suppliers are often at a price disadvantage compared to EU suppliers, mainly due to time, shipping costs, and taxes. |
| Cranberries<br>(HS200893)<br>Total Imports: $105<br>From USA: $63 | **1. USA**<br>2. Canada<br>3. Chile | **60**<br>23<br>10 | Main supplier of cranberries is the U.S. followed by Canada and Chile. | No local availability. The use of cranberries continues to grow and are now used in all kinds of food/drink products. |

Source: www.tradedatamonitor.com

SECTION V. AGRICULTURAL AND FOOD IMPORTS

**Agricultural & Food Import Statistics**
Dutch import statistics for U.S. agricultural and food products can be downloaded from the following website https://apps.fas.usda.gov/gats/BicoReport.aspx?type=country. Please make the following selection: Product Type: exports; Market Year: calendar year; Report Type: year-to-date; Country: Netherlands; Product: agricultural & related products and Download: word.

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

If you are a U.S. interested party and have questions or comments regarding this report, need assistance exporting to the Netherlands, a list of Dutch wholesalers and distributors, or you are looking for the Foreign Buyers Lists (FBL) of various consumer-oriented products and seafood products, please contact the Foreign Agricultural Service in The Hague, the Netherlands:

U.S. Department of Agriculture’s Foreign Agricultural Service
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www.fas.usda.gov

This FAS office also covers the countries in Scandinavia and has Exporter Guides for the following countries: Denmark, Finland, Iceland, Norway, and Sweden. These Exporter Guides can be found on their respective country pages on the following website: https://gain.fas.usda.gov/#/search.

Additional information about promotional events taking place in Europe, U.S. trade associations active in this market, delicious recipes with U.S. ingredients, articles highlighting U.S. food and agricultural products, and other information can be found on fas-europe.org

**Attachments:**

No Attachments